

2. However, para 2, Annex C, dated Aug 1, page 3, points up all kinds of coordinating and delineation of responsibility problems. It reads: "Further development of the trend away from U.S. information activities overtly identified as such, and corresponding development of covert propaganda activities." This paragraph is in the MSA section.

Enormous difficulties arose in the autumn of last year over delineation of responsibility in the field between USIE, CIA, and ECA in the gray and black fields. Many memos were written, cables sent back and forth, and Mr. [redacted] coordinated OPC's views on the matters with the two other interested agencies. The outcome of these efforts was a memo which we attach hereto. This memo proved to be unsatisfactory to most OPC area divisions, since it did not solve the problem. There have been cases of criss-crossing and messing up of each other's gray operations in the field between agencies.

The question of who can do gray and when is therefore re-opened in this PSB paper, because both State and MSA stress that they are leaving the white and moving into the gray fields. If they can handle gray securely, then why should CIA be involved in it, too? However, it is questionable that State and MSA can increase their gray activities (as the PSB paper states) and do it in a secure, careful manner.

Liaison between CIA and USIE and MSA in the field at present is done on an ad hoc basis, whenever CIA needs specific assistance in an operation. However, this new gray emphasis will require a much greater coordination and cutting-in of CIA by MSA and USIE, or there will be one mix-up after another.

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